



**Sunset Advisory Commission Staff Report
Health and Human Services Commission and System Issues
October 17, 2014**

Texans Care for Children would like to thank the Sunset Staff for the thoughtful consideration given to our Health and Human Services Agencies and all the important, at times life-saving, health and social services they perform for Texans. The Sunset Staff have identified some of the most pressing problems facing our health and human services system, and identified a number of strategies that will help improve our state's ability to efficiently deliver services to the state's most vulnerable populations, including the thousands of children who receive services through the Texas enterprise. Below are preliminary comments regarding several of the Sunset Staff's recommendations. We look forward to working with the Sunset Commission, the Legislature, and state agencies moving forward through the Sunset process.

Recommendation 1.1: Consolidate the five HHS system agencies into one agency called the Health and Human Services Commission, with divisions established along functional lines and other features as described below.

The Sunset Report identifies many of the challenges facing the health and human services system in Texas, including the need to better integrate services and reduce fragmentation and inefficiency. We are in the process of analyzing the potential impacts the proposed consolidation will have on children and families across systems, and look forward to continuing dialogue about these issues. At this time we would like to share preliminary concerns that are related to specific programs:

- Although not explicitly outlined in the organizational chart, we presume that DSHS' current chronic disease prevention and control efforts, as well as related school health services, would be moved under the functional division of Public Health Services. Given that 67% of adult Texans and 32% of Texas children are overweight or obese and the cost of related chronic diseases on the rise, we consider DSHS' efforts to improve the health of Texans to be a core public health imperative. Currently, these prevention and treatment efforts are administered through DSHS' Health Promotion and Chronic Disease Prevention Section, which is under DSHS' Disease Control and Prevention Services Division. Assuming all program integrity is maintained, there is nothing inherently improper with moving DSHS' current chronic disease prevention efforts underneath HHSC. The concern is, however, that this may once again result in the restructure of a Division, which has already been re-structured numerous times in the past 10 years, and again cause disruptions to the Section's important projects and duties without clear benefits. As this Section is primarily funded through Centers for Disease Control grants, it's unclear at this time what expertise or organizational streaming can be achieved through a major consolidation that can't be achieved simply through better coordination between the agencies.
- The Sunset report notes that fragmented categories of services, such as the Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), and Women, Infants, and Children program (WIC) impede integration of services to treat the whole

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person, and suggests moving WIC, currently administered through DSHS, into a new HHSC Public Benefits section with SNAP, TANF, and Medicaid, among others. Although the report notes that each program has different requirements and that there is a need for a single door for clients, we think it is important to note that many of the specific program requirements are set on the Federal level or by direction from our state legislature and will not change by combining the programs under one roof. For example, while the Federal government no longer allows asset questions on Medicaid applications, the state has continued to insist that certain asset questions be asked on SNAP applications, which can create internal inefficiencies. For another example, Federal law now calls for a 12 month Medicaid certification period for clients, but HHSC has chosen to institute periodic income verification checks after 6 months of continuous eligibility until the client hits the 12 month coverage mark. HHSC decisions like these can impede the integration of services and will not be addressed by combining the public benefit programs into one department. While we commend an effort to streamline client services, we encourage Sunset to take a close look at the issues which are structural to the programs and/or set by our state legislature, those issues which require additional investments and resources to address properly, and ensure that any subsequent objectives set forth via a consolidation effort are achievable and set up for success. Texans Care for Children encourages Sunset to examine additional opportunities to create efficiencies within current HHSC programs. Many of these efficiencies could be achieved independent of an agency consolidation effort.

- Texans Care for Children recommends including a separate division for prevention and early intervention within the Commission as opposed to limiting its scope by burying it within Family and Protective Services. The state invests in several prevention and intervention programs that go beyond child protection. Establishing a separate Prevention and Early Intervention division within the Commission that administers programming would elevate prevention and early intervention services shown to alter the trajectory of children at-risk for negative outcomes in the areas of health and safety, school success, mental wellness, and justice involvement. Each of these areas shares common risk and protective factors. By coordinating and aligning state supported efforts such as home visiting programming, suicide prevention, substance abuse prevention, abuse and neglect prevention, delinquency prevention programming currently administered by the Department of Family and Protective Services, and activities within the Office for the Prevention of Developmental Delays and Disabilities, the state stands to realize improved outcomes across multiple domains of child wellbeing.

Recommendation 1.2: Require development of a transition structure, including formation of a transition legislative oversight committee, and development of a broad transition plan and a detailed work plan to guide HHSC in setting up the new structure.

- Particularly in light of the complicated nature of consolidation and the impact it will have on services for thousands of Texans, Texans Care for Children urges that the transition plan include substantial and robust opportunities for stakeholder input.
- Any consolidation plan must ensure that there is no disruption or loss of services. To ensure this, it would not only require the Sunset Staff recommendation to have a separate transition team and a service delivery team to focus on each goal, but it would also be essential for the legislature to provide for sufficient time for transition activities and to appropriate funding necessary to accomplish transition goals.

Issue 6: The State Is Missing Opportunities to More Aggressively Promote Methods to Improve the Quality of Health Care.

- Texans Care for Children supports Sunset recommendations to require HHSC to develop a comprehensive, coordinated operational plan designed to ensure consistent approaches in its major initiatives for improving the quality of health care. In particular, we support ensuring the state properly identifies and promotes those DSRIP projects that have been successful in improving the health of Texans. Identifying quality-based care incentives and/or programs that have improved health outcomes and saved health care dollars is a major objective of the DSRIP projects. Additionally, we believe the state is the only entity in a position to do a comprehensive statewide assessment of successful DSRIP projects and that the current scope and measurement of the projects makes this duty inherently difficult. We agree that an inability to identify and replicate successful DSRIP projects would be a missed opportunity and that Texas should explore ways to refine the Waiver moving forward.

Recommendation 8.1: Require HHSC to establish a single women’s health and family planning program for the health and human service system.

As the Sunset Report notes, many opportunities exist to better coordinate and streamline services so that more eligible women within the state have access to critical preventive healthcare. These services improve women’s healthcare, allow women to better plan and space their pregnancies, and result in healthier birth outcomes in the state. While we support efforts to increase coordination of women’s preventive healthcare services, we also have concerns with the proposed plan for a single consolidated women’s healthcare program. The recommendations below echo those of the Texas Women’s Healthcare Coalition, of which Texans Care for Children is a member.

- *Client Eligibility*
 - Income: Raise the cutoff for client eligibility to 250 percent of the federal poverty level, as in the DSHS Family Planning program currently. The financial implications of raising eligibility to this point would be minimal: as the report states, “most clients seeking services fall below 100 percent of the federal poverty level.”
 - Age and fertility: Expand eligibility to include women over 44 years of age who are not yet menopausal, as well as women who have been sterilized. Women in these categories need reproductive healthcare services, such as clinical breast exams and screening for cervical cancer and sexually transmitted infections.
 - Gender: Include services for men, as currently offered by the DSHS Family Planning program.
- *Eligibility Determination and Enrollment Process*
 - Point-of-service eligibility: Effective family planning and sexually transmitted infection control require availability of same-day services. Clinics need the capacity to determine a patient’s eligibility upon arrival to provide efficient and effective care. Alternatively, clinics need support, such as presumptive eligibility, for the financial risk of treating a patient before eligibility has been confirmed. The suggested model provides neither.
- *Covered Services*
 - Benefits package: Comprehensive healthcare services for eligible patients, as currently provided in the Expanded Primary Care Program (including prenatal, medical, and dental) should be included in the new program, while ensuring that funding for family planning services and the number of women receiving those

services do not decrease. Providing comprehensive healthcare services is consistent with the state's goals of improving birth outcomes and maternal health, as emphasized by state agencies and past legislative actions.

- *Billing Procedures and Funding Distribution*
 - Fee-for-service model: Many clinics rely on cost reimbursement to remain viable. The model suggested in the report would result in many geographic areas having only one clinic able to receive cost reimbursement, which would not allow for sufficient provider capacity to meet the need for preventive care. Providers considered part of the "safety net" (such as Federally Qualified Health Centers and Title X providers) should receive cost reimbursement benefits.
- *Transition*
 - Stakeholder involvement: The report recommends that HHSC "... keep providers and other stakeholders informed of the agency's progress..." However, to ensure a workable system and to avoid losing much-needed providers in an already-damaged safety net, the process of consolidation must include substantial, meaningful, and ongoing stakeholder involvement from those "on the ground" – far more than is recommended in the report. Such involvement is an irreplaceable component of a successful transition.

Recommendation 8.2: Direct HHSC to study the feasibility of automatically transitioning new mothers in Medicaid to the new women's health program.

We strongly support automatically transitioning mothers into the new women's health program, recognizing that this will improve continuity of care for women and reduce costs to the state by reducing unplanned pregnancies. The recommendations below would allow more immediate benefits to women and the state.

- Necessity of study: The feasibility and fiscal implications of automatically transitioning new mothers to Medicaid has been well-documented in other states. As such and in light of the delay and cost associated with studying such a program, the Commission should recommend the implementation of this program rather than its study.
- Authority to act: If study of the program is undertaken and it is determined to be feasible and cost-effective, state agencies should be empowered to implement the program as quickly as possible, rather than delaying a decision until the Legislature is again in session, as suggested in the report.

Recommendation 13.1: Remove advisory committees from statute, including those with Sunset dates, and allow the executive commissioner to re-establish needed advisory committees in rule.

The Sunset Staff recommendation to restructure and combine or eliminate some existing advisory committees provides an opportunity to reduce duplication and increase the effectiveness of advisory bodies. By reducing the number of channels, the remaining channels come in more loud and clear.

Yet such reorganization runs a real risk of having some populations or specialized issues getting lost in the shuffle. For any advisory group or program proposed for consolidation or elimination, the state must examine what functions would be lost as a result, and if those functions could be

performed at the same level by another group. This is especially critical for those advisory bodies including family and/or youth voice. Care should also be taken that efforts to align committees with broadly similar goals do not result in loss of effectiveness if committees are tasked with too many functions. Some committees work effectively because they have a narrow focus that enables their members to use their expertise to produce targeted recommendations.

Removing advisory bodies from statute and having them be left to the discretion of the executive commissioner, who is appointed to a two year term, creates a potential lack of continuity at best and a potential silencing of public input at worst. While the proposed Executive Council would be a welcome mechanism for the public to provide input to the Commission and its division heads in a combined forum, it would not make up for the loss of specialized expertise and efforts that many advisory bodies offer the state. Having all advisory committees appointed by the executive commissioner also jeopardizes the independence that is so important to the advisory role of many committees. Texas needs some level of statutory protections to ensure meaningful advisory opportunities exist, and are maintained and utilized, particularly in times of budget austerity.

Additional Recommendations

The Sunset staff should identify opportunities for improving coordination with agencies outside the health and human services enterprise. The Texas Education Agency and the Texas Juvenile Justice Department in particular should not be viewed as siloes independent from health and human services. Agencies that serve children should have a coordinated prevention strategy across agencies to more effectively and efficiently improve child outcomes. Again, though, Texans Care for Children cautions the Sunset staff not to presume that consolidation inherently will result in coordination.

Thank you for your time and consideration.

Respectfully,

Alice Bufkin
Early Opportunities Policy Associate
512.473.2274
abufkin@txchildren.org

Lauren Dimitry
Health and Fitness Policy Associate
512.473.2274
ldimitry@txchildren.org

Josette Saxton
Mental Health Policy Associate
512.473.2274
jsaxton@txchildren.org



**Testimony to the Sunset Advisory Commission
Health and Human Services Commission and System Issues
November 13, 2014**

Members of the Sunset Commission, thank you for this opportunity to provide testimony. I would like to thank the Commission and the Sunset Staff for their continuing work to improve our state's ability to effectively deliver services to the state's most vulnerable populations, including the thousands of children who receive services through our state's health and human services system.

Texans Care for Children acknowledges the Sunset Commission Staff Report has accurately identified many gaps in services and many areas where there is insufficient accountability, oversight, and transparency. Many of the issues identified are longstanding and must be addressed without further delay or distraction. Burying existing agencies within another layer of bureaucracy at this point only stands to further delay many lingering challenges. **Texans Care for Children therefore opposes the consolidation of the agencies underneath a super-structure as proposed by the Sunset Commission Staff and instead calls for the implementation of a variety of solutions correctly identified by the Sunset Commission Staff Report as having potential for greatly increasing the effectiveness of our social service agencies.** Only once these immediate challenges are addressed should the Legislature consider overhauling the organization of these agencies. Otherwise, our state risks dragging these continued problems with it well into creation of these new structures, agencies and positions of leadership—greatly impeding the potential success of this administrative overhaul and leaving unaddressed many of the problems that advocates and Legislators alike have identified time and again.

RECOMMENDATIONS RELATED TO EARLY OPPORTUNITIES FOR TEXAS CHILDREN:

Recommendation 1.1: Consolidate the five HHS system agencies into one agency called the Health and Human Services Commission, with divisions established along functional lines and other features as described below.

The Sunset Report identifies many of the challenges facing the health and human services system in Texas, including the need to better integrate services and reduce fragmentation and inefficiency. However, consolidation in itself does not address the biggest challenges facing the health and human services enterprise.

- **Consolidation will divert attention and resources away from achievable solutions identified by the Sunset Commission, as well as from coordination efforts state agencies are already pursuing.** Opportunities exist now for improving coordination of services, particularly those that can help ensure healthy outcomes for moms and babies. Increasing provider and client education on available health programs, facilitating presumptive eligibility for pregnant women, and smoothing the transition between health programs through measures like auto-enrollment into family planning services are among the many ways the state can increase interconception care and early entry into prenatal care. Texans Care for Children urges the Sunset Commission to identify and support the many opportunities to achieve health care efficiencies prior to pursuing consolidation.

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- **Critical programs may be overshadowed in the consolidation process.** As it is currently described, the Medical and Social Services Division incorporates some of the largest and most complicated programs and divisions serving the state. Within this larger proposed division, smaller programs like Early Childhood Intervention and other programs serving Texans with disabilities could lose the specialized attention and coordination that results from being housed within DARS. If consolidation does occur, we support proposals to establish a division that would house all programs serving people with disabilities and children with developmental delays. However, the need for such a division underscores the danger that consolidation will lead the state to trade old siloes for new ones.

Recommendation 8.1: Require HHSC to establish a single women’s health and family planning program for the health and human service system.

As the Sunset Report notes, many opportunities exist to better coordinate and streamline services so that more eligible women within the state have access to critical preventive healthcare. These services improve women’s healthcare, allow women to better plan and space their pregnancies, and result in healthier birth outcomes in the state. While we support efforts to increase coordination of women’s preventive healthcare services, we have concerns with the proposed plan for a single consolidated women’s healthcare program and recommend that the following more substantive moves towards streamlining and effectiveness be taken instead. The recommendations below echo those of the Texas Women’s Healthcare Coalition, of which Texans Care for Children is a member.

Change in Statute (8.1)

- a. Cost reimbursement needed: Many clinics rely on cost reimbursement to remain viable. The model suggested in the report would allow many geographic areas to have cost reimbursement for only one clinic, which would not allow for sufficient provider capacity to meet the need for preventive care. Providers considered part of the “safety net” (such as Federally Qualified Health Centers and Title X providers) should receive cost reimbursement benefits.
- b. Point-of-service eligibility: Effective family planning and sexually transmitted infection control require availability of same-day services. Clinics need the capacity to determine a patient’s eligibility upon arrival to provide efficient and effective care. Alternatively, clinics need support, such as presumptive eligibility, for the financial risk of treating a patient before eligibility has been confirmed. The suggested model provides neither.
- c. Stakeholder involvement: The report recommends that HHSC “... keep providers and other stakeholders informed of the agency’s progress...” However, to ensure a workable system and to avoid losing much-needed providers in an already-damaged safety net, the process of consolidation must include substantial, meaningful, and ongoing stakeholder involvement from those “on the ground”—far more than is recommended in the report. The Coalition recommends creating a short-term advisory committee of providers and other stakeholders to oversee the transition. Such involvement is an irreplaceable component of a successful transition.

The Coalition emphasizes that provider network adequacy must be improved, through adding new providers and protecting those at risk of closing, to mitigate the risk of losing providers in the transition to a consolidated program and to cover the seven in ten women in Texas currently in need of—but not receiving—publicly funded healthcare services.

- d. Client eligibility: Under the current system of funding, only three in ten eligible women in Texas between the ages of 20 and 44 receive the preventive care services they need. The Coalition recommends serving the maximum number of clients possible, through the following changes to the proposed program’s eligibility guidelines. First, the cutoff for client eligibility should be raised to 250 percent of the federal poverty level, as in the DSHS Family Planning program currently. The financial implications of raising eligibility to this point would be minimal: as the report states, “most clients seeking services fall below 100 percent of the federal poverty level.” Second, the age of eligibility should be changed to include all women of reproductive age. Women over 44 years of age who are not yet menopausal, as well as women who have been sterilized, need reproductive healthcare services, such as clinical breast exams and screening for cervical cancer and sexually transmitted infections. Third, the program should include services for men, as currently offered by the DSHS Family Planning program.
- e. Benefits package: Comprehensive healthcare services for eligible patients, as currently provided in the Expanded Primary Care Program (including prenatal, medical, and dental), should be included in the new program, while ensuring that funding for family planning services and the number of women receiving those services do not decrease. Providing comprehensive healthcare services is consistent with the state’s goals of improving birth outcomes and maternal health, as emphasized by state agencies and past legislative actions.

Additionally, all FDA-approved birth control methods should be covered under the new program.

Management Action (8.2)

a) Transitioning new mothers to new women’s health program: The feasibility and fiscal implications of automatically transitioning new mothers to publicly funded healthcare has been well-documented in other states. As such and in light of the delay and cost associated with studying such a program, the Commission should recommend the implementation of this program rather than its study. If study of the program is undertaken and it is determined to be feasible and cost-effective, state agencies should be empowered to implement the program as quickly as possible, rather than delaying a decision until the Legislature is again in session, as suggested in the report.

Recommendation 13.1: Remove advisory committees from statute, including those with Sunset dates, and allow the executive commissioner to re-establish needed advisory committees in rule.

and

Recommendation 13.2: Remove the Task Force for Children with Special Needs, the Children's Policy Council, the Council on Children and Families, and the Texas System of Care Consortium from statute.

Texas needs some level of statutory protections to ensure meaningful advisory opportunities exist and are maintained, particularly in times of budget austerity. Having all advisory committees appointed by the executive commissioner also jeopardizes the independence that is so important to the advisory role of many committees. Care should also be taken that efforts to align committees with broadly similar goals do not result in loss of effectiveness if committees are tasked with too many functions. Some committees work effectively because they have a narrow focus that enables their members to use their expertise to produce targeted recommendations. Though the Task Force for Children with Special Needs, the Children's Policy Council, the Council on Children and Families, and the Texas System of Care Consortium share common elements, they also benefit from different scopes and from robust input from different stakeholder groups, including consumers. Collectively, they cover a broad range of services and populations that can not easily be condensed into one committee.

Texans Care for Children supports the Sunset Staff's modifications to Recommendations 13.1 and 13.2 directing HHSC to seek stakeholder and public input on restructuring advisory committees. However, we urge HHSC to seek this input as a precursor to reestablishing all advisory committees into statute or combining all four children's committees into one. Stakeholder and public input should drive decisions on whether or not to move committees into statute or combine them, not react to decisions HHSC has already made.

Thank you for your time and consideration.

Respectfully,

*Alice Bufkin, MPAFF
Early Opportunities Policy Associate
Texans Care for Children
512.473.2274
abufkin@txchildren.org
www.txchildren.org*